

THE  
TRUE CAUSES  
OF THE  
Present Scarcity  
OF  
MONEY:  
AND THE  
Proper REMEDIES for it.

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L O N D O N :

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**I**T is too evident, that Money is very scarce both in City and Country. Whence the Citizen complains of the grievous deadness of Trade and the Countryman finds it extremely hard to pay his Rents. And it is evident likewise, that the immediate Cause of this Scarcity, is the Exportation of our Money into Forrain Parts. Especially our New Money, which is almost all gone: But the great difficulty is, to find out the Cause of this Cause, or what it is that hath caused this Exportation of our Money. And if we will come closer yet, we must find the Reason, why our Money is Exported now, more than it was in the late Reigns. during which Reigns our Money was increasing. So that there must now be something particular and and extraordinary in the matter; there must be something now, which was not then. And therefore to speak of the over-weight or under-valuation of our Coin, or of the liberty to Export Forrain Coin and Bullion, or of Wars, or the disturbance and stoppage of Trade is to speak nothing to the purpose. For all these things were in the late Reigns; some of them constant, and some at times, and they had no such Effect as the carrying away our Money.

But there is a thing now lying upon us, which was not in those Reigns and that is, the great Payments we have made and are making beyond Sea. I speak not this, as if I blamed these Payments in the least. Far be it from me to entertain a Thought so presumptuous. I rather believe, with the most perfect Resignation, that there is very good reason for them, and that the necessity of our Affairs required them. But this I say, and I say it with the most profound Submission, that our Payments in Forrain Parts have carried away our Money. So that if these Payments amount to a Million and half, *England* hath by this means so much less Money. Which, our running Cash being computed at six Millions, is just a fourth part. The Money carried to *Ireland* is not here reckoned: because we are sure to have it again, though for the present we may feel the want of it.

I know it may be said, that these Payments beyond-Sea are made by Bills of Exchange, and no Money in *Specie* is for those purposes carried out. But I answer, that this remitting of Money by Bills, is the same thing in effect with the sending it out in *Specie*; and doth equally diminish our Coin. Merchants receive the Money here; and charge Bills for the value, upon their Factors and Correspondents in the Places where it must be paid. And these Bills must be answered, out of the Produce of *English* Commodities.

are sold: and which would otherwise have been laid out upon Commodities we want. But being diverted to that other Use, the Commodities we want must be bought with Money from *England*. But our Merchants may have an Overplus, above what they designed to lay out: and out of this overplus the Payments are made. I answer, that then, were it not for these Payments, that Overplus would have come to *England* in Money. So at every way these Payments, though they are made by Bills, do plainly diminish the Money of *England*.

Before these happy Troubles, there was paid from *Ireland* five hundred thousand pounds yearly, to Lords and Gentlemen that lived here in *England*. And this drew the Money of *Ireland* hither. Yet all that would, might receive their Money by Bills. And if as many *English* Lords and Gentlemen could go and spend their Estates in *Ireland*, without all doubt the Money of *England* would be drawn thither.

Money is returned to *London* by Bills from all parts of *England*. But the Occasions for Money are there so great, and the Payments there to be made are so many, that it is impossible to get Returns sufficient. So that this City drains the whole Kingdom of Money. And so would *York* do, or any other Place, if it were made the Seat of Government. For where there are great Occasions for Money, thither it will flow.

If our King should reside in *Scotland*, and spend his great Revenue there, so that consequently great Payments were there to be made; could our drawing of Bills, or any other Art or Means, keep our Money from running into *Scotland*?

Suppose these Payments, wherewith we are now concerned, were to be made, only with *English* Commodities: as woollen Cloths and Stuffs, Tin, Lead, Leather, Sugar, and the like. Some might here think, that this would not in the least affect our Money. But yet we should find that our Money would fly, to the value of those Commodities. For had they been sold, the Produce would have furnished us with what we want. Whereas now, our Commodities being given away, the Commodities we want must be bought with Money from *England*. I confess if we wanted nothing, we might give away our Commodities and yet keep our Money. But the case is far otherwise, for we want abundance of Things.

Suppose again that Bills were drawn from time to time, payable beyond-sea, to the full value of all our Commodities Exported. I grant that even these might be answered, without Money from *England*. But then it is clear on the other side, that all Commodities Imported must be bought with our Money. which would suddenly sweep away all the Money we have. and therefore it is no wonder, if these Bills of late, which have gone deep into the value of our Goods Exported, have likewise made a great hole in our Money.

If *England* should pay great constant Tributes to divers of our Neighbours: a hundred thousand a year to one, two hundred thousand to another, to another half a Million, and as much to three, or four more; who can deny, but that this would bring us to downright Beggery? And yet, you will say, we might make these Payments by Bills.

Thus it plainly appears, that our Payments beyond Sea carry away our Money. But I shall endeavour to make it yet plainer. It is a certain Rule in Trade, that a Country grows Rich, and gets Money, when it sells more than it buys. And on the other side when it buys more than it sells, it then grows poorer, and its Money lessens, just as it is with a private Man that lives upon his Land. The proportion between the Bought and the Sold is called the Balance of Trade. And the whole skill of enriching a Country by Trade, consists in keeping this Balance right: all other Devices are not worth one farthing. He that shall consider these things, cannot but find, that our beyond-Sea Payments turn this Balance of Trade against us: and are the cause that we Buy more than we Sell, in regard they so much diminish the Quantity of our Goods sold. For the Goods whose Produce is applied to these Payments, are not now sold (as otherwise they had been) but are in effect given away, as if I sell a Horse to a Man, and then give him the Money he paid, I do in effect give him the Horse. These Goods therefore cannot be put in the Scale of things sold: and are as much lost to the Nation, as to the getting or keeping of our Money, as if they had been sunk at Sea.

[What hath been above written is upon a supposition, that our Publick Payments abroad might be all made by Bills. But if Bills sufficient cannot be had; it is then too apparent, that our Silver must go directly towards those Payments.]

Having done with the Evil we complain of, namely the Scarcity of Money, occasion'd chiefly by our Payments in forrain Parts; I come now to the Remedy: which in short is this. That since there is no help for what is past, we would for the future stop these Leakes; and avoid such Payments with all possible Care: Not that I would have us fail, to use our utmost Endeavours to support the Confederacy, wherein We are so deeply concern'd. But instead of sending our Money about, we might do other things as acceptable, and which would make abundant recompence. For instance, the Confederates would find it a good exchange, if instead of maintaining Ten Thousand Men in *Flanders*, we should send Forty or Fifty thousand into *France*. And we on our part should make some Figure in the World, if our whole Force (both of Men and Money) were contracted and united for a Design so glorious.

Some make a doubt, whether our old defensive League with the *Dutch*, do in strictness oblige us to send and maintain, for their Assistance, this Army in *Flanders*. For if the promise of Assistance in case of an Attacque be reciprocal, the *Dutch* may seem oblig'd as much to assist Us, in regard We are attack'd

likewise.



likewise. Or rather, since both are attacked, the Obligation on both sides may seem to cease. And however we may well presume, that a vigorous Invasion of *France*, would give full Satisfaction in the matter to this wise State; since it would do them much better service, by drawing the *French* Forces so effectually from their Frontier. And we may know for certain, that nothing would be more pleasing to our Allies, nor to our own People, than a Voyage Royal into *France*. The Expence of which Voyage though great, would be laid out in *England*; and so we should still keep our Money among our selves.

There is another Remedy proposed by some Men, for our Want and Scarcity of Money: and that is, That whereas the Exportation of forrain Coin and Bullion was permitted in the late Reigns, it may be now severely forbidden. But this is a Remedy, which would heighten and increase the Disease. And as that Permission gave the greatest Advance to Trade (the means of getting Money) that ever was known; so this Prohibition would be one of the greatest Blows to it. As if a Farmer, having a wily young fellow to his Son, and a good Chapman, should employ him in buying and selling. But when he sells for Money, it must be put up in his Fathers Chest, and he must touch it no more. So that he can buy only by way of Barter, and with other Commodities. This would so cramp the young mans dealing, that he could never make any thing of it. for to have Money in hand when good bargains offer, is the life of dealing. And just so it is with Merchants, and in forrain Trade.

While our old mistaking Laws were in force, and no Silver might be carried out, so that our Merchants had only Commodities to trade with; the *Dutch* were too hard for us, having both Commodities and Money. But since, by the repeal of those Laws, We likewise have had Money at command; they have not been too hard for us, and *England* hath had upon it, a manifest Increase of Trade and Wealth.

When Money is carried out in Trade, 'tis to bring in more: though perhaps it must come the way about. If a man carry five hundred pound into *France* to buy Corn, and sell it in *Spain* for a thousand, and then bring home the Money; where is the harm of all this?

Money and Bullion is more freely brought into a Country, where it may be freely carried out: where the owner may do what he will with it, and use it to his best advantage. But Men do not so willingly bring it, where it will be kept in a Pound.

The Example of *Holland* is sufficient to convince us in this matter. They understand Trade, better than all the people that ever were. and it is well known that they put no restraint upon the Exportation of Money. Contrariwise the Example of *Spain* may teach us, that the severest Laws will not keep Money in a Country, when it hath occasion to go elsewhere. What ever we do, let us not imitate the *Spaniards*; who in point of Trade are the Fools of the World. If they were not, they could never be such Beggars, while Millions in *specie* come in yearly to them.

I must again take notice (for it hath been touch'd but lightly) that in the late Reigns, though our Staple Commodities, and particularly our woollen Manufactures, had a low and dead Market abroad, (which was as great disadvantage in Trade as can be thought of); yet our Trade in general was higher and Money became more plentiful, than had been known in any former times. Of which thing there were two principal Causes: (and these must be very powerful ones, that wrought such an Effect). The first was the Liberty already mentioned of carrying out Bullion and forrain Coin Which was granted by an Act of King *Charles II.* a little after he came in. I know that the Contrivers of this Act (for I was acquainted with their Debates) would willingly have extended it to English Coin likewise. For the thing they aimed at was the free Exporting of Silver. and Silver is Silver whether it be mark'd or unmark'd, or whose mark soever it bears. But they were afraid that the Country Gentlemen would boggle at the Exportation of *English Money.*

The second Cause of our great Trade and Plenty of Money in the late Reigns, was our Sugar Plantations. which were brought to perfection about the time that our Kings were restored. And these made a great alteration in our Trade and Money for the better; in regard *England* saves and gains yearly by them, according to the most moderate Computation, above a Million of pounds. For by help of the Plantation Produce, which is all our own we buy less yearly of Forrainers to the value of half a Million at the least: and we export and sell, out of the same Produce, a good deal more than another half Million. which is the same thing in effect, as Mines of Silver yielding above a Million yearly. The Plantations therefore are of great weight, to turn the Balance of Trade to our advantage. And therefore we should cherish and encourage the Plantations. and not oppress them as we do.

These were the great Causes that filled *England* with Money in the late Reigns: namely, the free Exporting of Silver, and the growing up of the Sugar Plantations. They must needs therefore be much mistaken, that think to do any good now, by depriving us of one of these things: that is, the free Exportation of Silver. We found the good Effects of this Liberty in the late Reigns and we should be sure to feel the contrary, by the want and loss of it now. When Money has a mind to be gone; it is not in the Power of Laws to stay it. And truly it were happy for the Kingdom, if all the Laws about Trade were repealed at once. Excepting still that part of the Act of Navigation, which confines the Plantation Trade to English Ships and Mariners. Since therefore so few of these Laws do good, and so many of them do mischief; it is greatly to be wisht, that our Legislators would not trouble themselves with Trade. Were it not for Laws and Patents, the Industry of our Merchants, and Seamen, and Planters, would make us the richest Nation upon Earth. And he that affirms this truth, is neither Planter, nor Seaman, nor Merchant.

Some will still have it, that our Money goes from us, by reason of the low value we put upon it. But it is no lower than it was in the late Reigns; and then our Money stayed with us. And, the thing rightly considered, that which these Men suppose to be the value of Money, is only the Name of it: we do not give our Money so big a Name as we might. For an Ounce of Silver, being Coined into one or more pieces, is called a Crown or five Shillings: whereas I say they nine tenths of an Ounce, or less, might well deserve that name. And the entire Ounce might be called five and six pence, or six shillings. But call it what you will, it is still but an Ounce of Silver; and an Ounce called six shillings is no way better, than that called five: nor can you buy more with it. As it is found clearly in our Plantations: where though a Piece of Eight be made higher or lower in the outward valuation, yet still it buyes the same Quantity of Sugar. Thus the Intrinsick Value, which governs all, still continues the same, under all the Varieties of Words and Names.

Nevertheless it must be confest, that even this Intrinsick Value of Silver doth vary, according as it is in demand in one Place more than in another. And Money is then in demand, when there are great Occasions for it, and when great Payments of it are to be made. Upon this account, Money is really better in *London*, than in the Country. and therefore we must give something for Returns to *London*, whereas from thence into the Country we may have them for nothing. And much greater was the price of a Bill of Exchange from *Ireland* to *England*: which was a sure signe, that Money was better in *England* than in *Ireland*. In the same manner, when we make great Payments in Forrain Countries, Money becomes better and more valuable there. And there is this difference in the Value, not as it is Coin, but as it is Silver. For it is most certain, that Money never flies from us, but when Silver is better and more valuable in other Places, than it is in *England*. Since therefore this will be caused by our making great Payments abroad: if we have any love for our Money, as I hope we have a great deale, we must be careful to avoid these Payments.

I have done with that, which I conceive to be the Grand Cause of our present scarcity of Money. I shall now in few words mention another: and that is, the great stop of our Trade. This, as I have noted already, hath sometimes been upon us formerly: but never to such a degree as now. Long Embargoes, and want of Convoyes, and unreasonable Pressing, have been exceeding grievous to us. So that our Trade is very low. And since Money doth not grow in *England*, it must be gotten by Trade; the stopping of Trade must needs cause a Want of Money. The Remedy of this Evil is, that we would strain our selves to the utmost, for the time to come, to carry on our Trade, as well as the War. For it is Trade that maintains the War. As a Man that hath great occasion for the labour of his Horse, must not employ all his thoughts to work him, but must likewise take care to feed him, We must therefore carry on both War and Trade with all possible Vigour. Nor do I demand Impossibilities; for we have Ships and Men enow to do it.



